

2013 ANNUAL REPORT



A MESSAGE FROM OUR MAYOR



I am pleased to report that 2013 was another banner year for the City of Centennial. Now, more than ever, we are reaping the rewards of our policies for careful long-term planning and forward-thinking

economic development. As Centennial has grown and matured, the visionary leadership and sound fiscal strategies of our City Councils have left us well-positioned to take on the future.

We continue to have new shops and restaurants opening in our major retail centers like The Streets at SouthGlenn and Centennial Promenade. Sales tax revenues are up, indicating the healthy performance of our local economy. Several corporate and retail projects are in various phases of construction across the City, demonstrating that private investment and redevelopment in our community remain strong.

Regional transportation issues have also been a top priority. Progress is being made toward improvements at the I-25/ Arapahoe Road interchange and the widening of Arapahoe Road between Waco Street and Himalaya Way. Centennial is also participating in the C-470 coalition, which affects traffic patterns just outside our City boundaries.

Another notable value delivered in 2013 was the opening of our new multi-purpose Eagle Street Facility. The City purchased

a vacant 9.2 acre lumber yard and remodeled it to house Centennial Public Works, the Traffic Operations Center, Animal Services, Code Compliance and the 24/7 Citizen Response Center. The project was paid for in cash and completed for under \$6 million—a fraction of the cost it would have been to build from scratch.

We are especially pleased that last spring, Center Park received the Denver Regional Council of Governments' (DRCOG) People's Choice "Live Work Play" award. Enhancements have been made, including a new performance platform and electrical improvements enabling the City to attract a wider range of professional artists and provide a great venue for local artists and community groups. We can look forward to an exciting summer of events at the Center Park amphitheater.

The City continues to focus on customer service as we work to keep our neighborhoods safe, well-maintained and visually pleasing. Under the leadership of City Manager John Danielson, City staff and contractors continue to develop innovative ways to save money and improve services. Our public-private partnerships allow us to scale our resources as needed in order to provide the best value for taxpayers.

From a leadership perspective, 2013 was a transformative year for Centennial. We gratefully recognize and honor several Council Members who were term limited after eight years of dedicated service to our community: Rick Dindinger, Sue Bosier, Rebecca McClellan and Ron Weidmann.



Rick Dindinger



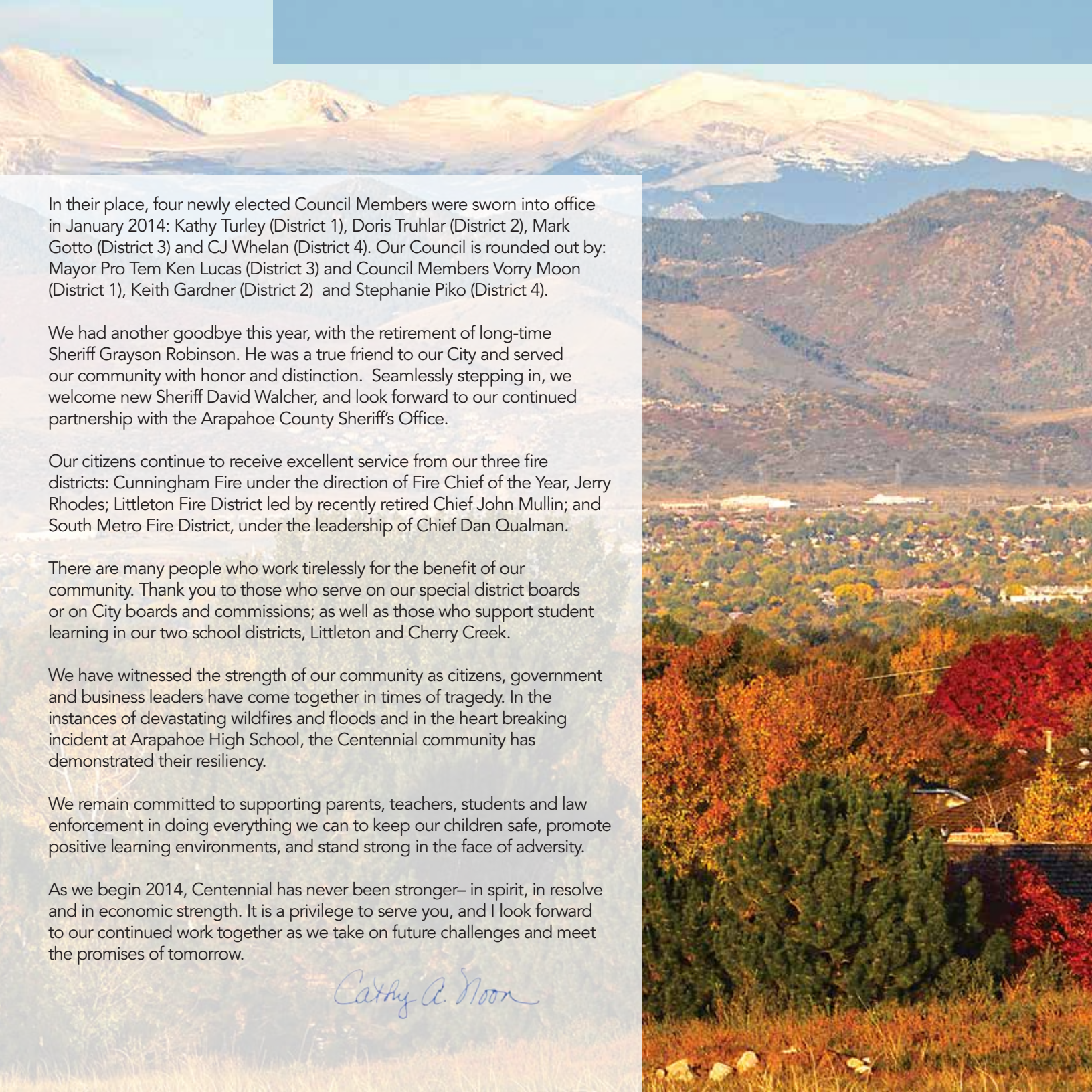
Sue Bosier



Rebecca McClellan



Ron Weidmann



In their place, four newly elected Council Members were sworn into office in January 2014: Kathy Turley (District 1), Doris Truhlar (District 2), Mark Gotto (District 3) and CJ Whelan (District 4). Our Council is rounded out by: Mayor Pro Tem Ken Lucas (District 3) and Council Members Vorry Moon (District 1), Keith Gardner (District 2) and Stephanie Piko (District 4).

We had another goodbye this year, with the retirement of long-time Sheriff Grayson Robinson. He was a true friend to our City and served our community with honor and distinction. Seamlessly stepping in, we welcome new Sheriff David Walcher, and look forward to our continued partnership with the Arapahoe County Sheriff's Office.

Our citizens continue to receive excellent service from our three fire districts: Cunningham Fire under the direction of Fire Chief of the Year, Jerry Rhodes; Littleton Fire District led by recently retired Chief John Mullin; and South Metro Fire District, under the leadership of Chief Dan Qualman.

There are many people who work tirelessly for the benefit of our community. Thank you to those who serve on our special district boards or on City boards and commissions; as well as those who support student learning in our two school districts, Littleton and Cherry Creek.

We have witnessed the strength of our community as citizens, government and business leaders have come together in times of tragedy. In the instances of devastating wildfires and floods and in the heart breaking incident at Arapahoe High School, the Centennial community has demonstrated their resiliency.

We remain committed to supporting parents, teachers, students and law enforcement in doing everything we can to keep our children safe, promote positive learning environments, and stand strong in the face of adversity.

As we begin 2014, Centennial has never been stronger— in spirit, in resolve and in economic strength. It is a privilege to serve you, and I look forward to our continued work together as we take on future challenges and meet the promises of tomorrow.

Cathy A. Moon

QUALITY OF LIFE

COMMUNITY EVENTS IN CENTENNIAL CENTER PARK

The City hosted several community events at Centennial Center Park, which included the highest attended movie night, launching the 2013 events. In partnership with local businesses, the 8th Annual Centennial Under the Stars event featured live music and a variety of family entertainment, and was well attended, despite inclement weather. The 2nd Annual Holiday Tree Lighting– attended by more than 1,000– included performances by several school choirs, a visit from Santa and the lighting of a 30 foot tree.

The City partnered with nonprofit organizations to bring the successful Reggae in the Park and German Day in Colorado events to Centennial Center Park.



PICTURE CENTENNIAL ART PROGRAM

Picture Centennial, a program that partners with local artists to feature art created in the City or about the City, launched in 2013. Picture Centennial provides a free venue for artists to display their work and offers the community the opportunity to enjoy local art.

Each artist is featured in the Centennial Civic Center for three months, with an artist meet-and-greet session featuring hors d'oeuvres and wine tastings at the beginning of each installment.





SENIOR COMMISSION

The Senior Commission hosted a forum in February of 2013 to learn the desires and needs of seniors in the community. Representatives of the Senior Commission also attended Arapahoe County Council on Aging's Senior Resource Day.

YOUTH COMMISSION

The Youth Commission recognized three Centennial high school students with Youth Achievement Awards for making a significant contribution in the community. A \$1,000 scholarship, provided by SafeBUILT, was awarded to Maheema Haque from Smoky Hill High School. Two additional \$500 scholarships, sponsored by the Youth Commission, were awarded to Sanjana Garimella (Smoky Hill High School) and Meredith Lutz (Arapahoe High School).

The Youth Commission also completed and distributed an anti-bullying video to local school districts and participated in the 25th Annual Thanksgiving SHARE basket project, supporting local communities.



SNOW HERO

While the 2012-2013 winter season seemed mild by Colorado standards the Centennial area reported more than 69 inches of

snow, providing just enough powder to allow the City of Centennial's Snow Hero initiative to achieve great success. Residents nominated 128 fellow community members for showing their 'snowman-ship' by voluntarily clearing snow and ice from the sidewalks and parking lots on and near their properties.

Centennial does not currently have a snow removal ordinance but encourages all citizens to voluntarily shovel walks directly in front of, within, and adjacent to their property within 24 hours of a snow storm. After the implementation of the voluntary initiative, snow removal requests to the City decreased by 75 percent from the previous season.

FIVE YEARS AS HOME RULE

June 2013 marked the five year anniversary of Centennial voters approving the City's Home Rule Charter by a 2-1 ratio making it Colorado's 97th Home Rule city. The approved Home Rule Charter serves as a "constitution" for the City and was effective upon voter approval. Home Rule makes it possible for local governments to have control over local matters of concern, including sales tax collection and audit.

BALLOT QUESTION APPROVED

In November, 76 percent of voters approved ballot question 2G, to restore the City's right and ability to leverage existing fiber optic infrastructure. The passing

of 2G allows the City to examine opportunities to partner with private sector providers to utilize publicly owned infrastructure with the goal of enhancing

telecommunications and Internet services for businesses and residents.



ECONOMIC HEALTH

CENTENNIAL'S TOP 10 PRIVATE SECTOR EMPLOYERS

OppenheimerFunds
Comcast & Comcast Media Center
United Launch Alliance
Pearson/e-College
Connexions, Inc.
US Foodservice
Saunders Construction
AlloSource
National CineMedia
IKEA Centennial



LIFETIME FITNESS ADDITION

Lifetime Fitness opened a new tennis complex featuring 10 indoor climate controlled courts, 10 lighted outdoor courts, six hard courts and four Har-Tru clay courts. The new center also features incredible amenities such as video analysis rooms for tennis coaching, a pro shop, luxurious locker rooms and indoor viewing lounge. The new complex marks a significant addition to the existing, nearly 130,000 square-foot Lifetime Athletic property.

TIME WARNER CABLE EXPANSION

Time Warner Cable broke ground on a \$85 million Data Center expansion that will support the equipment necessary to deliver digital video and IP based services for Time Warner Cable's core residential and business products. The construction project will generate approximately 400 jobs, equating to more than \$11 million in local income.





NEW TENANTS AT THE STREETS AT SOUTHGLENN

H&M
Victoria's Secret
Ann Taylor LOFT
Bath & Body Works
Z Gallerie
Sur La Table
Chico's
White House Black Marke
Chick-Fil-A
Cafe Rio

NEW BUSINESSES IN CENTENNIAL

Blue Spruce Brewing and
Two22 Brew
ViewHouse (completion in 2014)
Larkburger

ENVIRONMENT



CENTENNIAL CENTER PARK WINS AWARD

Centennial Center Park was announced as the winner of the Denver Regional Council of Governments' (DRCOG) People's Choice Live Work Play Award. This award honors outstanding places, events and projects that move the region's long-range plan forward by supporting and contributing to livable communities.

The Centennial Center Park is the first City owned and developed park, located in the center of Centennial on the north side of Arapahoe Road at Revere Parkway. The Park is designed for year-round family-friendly enjoyment, featuring playgrounds, water play areas, an outdoor amphitheatre, picnic shelters, educational exhibits, climbing walls and walking trails. Thousands have visited the park since its opening in April 2012.



NEIGHBORHOOD PARK FUNDING

The City partnered with the Smoky Hill Metropolitan District and Littleton Public Schools to replace and reconstruct six playgrounds with the City's Neighborhood Park Grant Program. Reconstructed playgrounds in the Smoky Hill Neighborhood include Big Rock, Pool and Arrow Head Parks, with the Metro District providing a 30 percent match for the City's \$150,000 funding.

In partnership with Littleton Public Schools (LPS), the City helped renovate playgrounds and construct outdoor classrooms and walking paths at Mark Twain, Carl Sandburg and Peabody Elementary Schools.

The City funded \$225,000 towards the projects and LPS provided a \$100,000 match through a Great Outdoors Colorado Schoolyard Opportunity Grant.



CENTENNIAL CENTER PARK IMPROVEMENTS

In 2013, plans were put in place to enhance the amphitheater and other portions of the Centennial Center Park. One of the most notable changes is the addition of a cover for the existing stage in the amphitheater. This will allow for light and sound equipment to be installed for event performances and include a retractable screen for movies and presentations.

The project is funded with a portion of the City's share of voter-approved Arapahoe County Open Space tax dollars and Colorado Lottery-supported Conservation Trust Funds.

The City is hosting a grand opening concert to celebrate the improved venue on June 7, 2014.



PUBLIC WORKS

STREET REHAB

The City's Street Rehabilitation program generally consists of removing and replacing existing asphalt, replacing damaged concrete, application of crack sealant, application of surface treatment, installation of permanent pavement markings, and final clean-up after construction. Throughout 2013, the following was completed as part of this program:

- 15 miles of street was resurfaced with a mill and overlay
- .46 miles of roadway was reconstructed
- 17 miles of slurry seal treatment was applied, extending the pavement life five to seven years
- 26,000 linear feet of concrete was used for curb/gutter and sidewalks
- Nearly 9,000 miles of street sweeping was completed

2013 SNOW & ICE MATERIALS

Salt: 3,049.67 tons
 Liquid de-icer: 52,775 gallons
 Mileage: 56,658 miles
 Annual Snowfall: 79.4 inches

NEW EAGLE STREET FACILITY

The City repurposed a lumber yard into a fully-functional facility to house Centennial Public Works, Animal Services, Code Compliance and the 24/7 Citizen Response Center. The property, located at 7272 S. Eagle Street, includes an office building, maintenance facility, covered vehicle bays and an existing outdoor yard covering approximately five and a half acres, with one and half acres available for lease.

Renovations to this site include a Traffic Operations Center that allows the City to monitor the status of

traffic signals in real time and make adjustments to better manage traffic. A 5,000 ton salt storage dome and brine mixer were added to support operational efficiency during snow storms. Additionally, an animal holding area for Centennial Animal Services was built so that residents may pick up lost dogs at the site. The Eagle Street Facility offers three meeting rooms for rental by nonprofit organizations.

Over time, the facility will pay for itself through lease arrangements the City has with its contractors.

ASPHALT PAVEMENT AWARDS

The City of Centennial received two awards at the 19th Annual "Best in Colorado" Asphalt Pavement Awards Dinner and Program. Centennial was recognized with the City Street Resurfacing Award for the East Dry Creek Overlay Project and the Preventative Maintenance/Surface Seal Award for the South Mineral Drive, 2012 Surface Treatment Program.



CITY SERVICES

ANIMAL SERVICES

Centennial Animal Services saved 96 percent of impounded animals by reuniting them with their owners and helping find new homes for animals that were not claimed.

In September the City offered its first discounted animal licensing event, which resulted in a record-high 395 licenses being issued in one month.

BUILDING SERVICES

Building Services completed all 15,859 of their site inspections the day after each inspection was requested.

CITIZEN RESPONSE CENTER

In 2013, the City of Centennial's Citizen Response Center received a total of 19,221 calls. Ninety percent of these calls were answered within the standard of 120 seconds. The Citizen Response Center also handled 832 requests through the City website.

The 24-hour, seven-day-a week Citizen Response Center serves as a single point of contact for all residents' questions and work requests.

CODE COMPLIANCE

Ninety-eight percent of the year's total code violation cases were closed, with 100 percent of the closed cases corrected by voluntary compliance.

MUNICIPAL COURT

In 2013, the Centennial Municipal Court celebrated its 10-year anniversary. The Municipal Court handles a variety of minor violations, which include traffic penalties and animal, municipal and zoning code violations.

PASSPORTS

In 2013, the City took 1,892 passport photos and processed 3,095 passport applications, 1,000 more applications than 2012. Centennial first became a passport acceptance facility in 2010.



CENTENNIAL'S ONLINE COMMUNITY

In December, the City launched a new and improved website, **www.CentennialCO.gov**. Along with the new web address, comes a clean look and new layout with several features aimed at making it easier for users to access City services and information.

The City also unveiled its official Facebook page, www.Facebook.com/CentennialGov, and official Twitter page, @CentennialGov, offering citizens new ways to connect and receive information.

Additionally, Centennial residents now have the opportunity to engage through www.ConnectCentennial.com and share ideas, creativity and perspectives that help shape Centennial's future.



PUBLIC SAFETY

The Arapahoe County Sheriff's Office continues to provide a full-range of public safety services and programs that include patrol services, investigations, school resource officers, traffic enforcement, crime prevention and emergency management.

ARAPAHOE COUNTY SHERIFF'S OFFICE

The Arapahoe County Sheriff's Office Communications Center once again earned international accreditation through the Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA), receiving the Gold Standard Accreditation with Excellence Award. This accreditation requires full compliance with 218 standards, focusing on policy and procedures, administration, operations and support services.

There are 69 communication centers internationally accredited by CALEA, and only eight, including the Arapahoe County Sheriff's Office, have achieved the highest standard of the Accreditation with Excellence Award.

CUNNINGHAM FIRE PROTECTION DISTRICT

In 2013 Cunningham Fire Protection District's Chief Jerry Rhodes was awarded the annual State of Colorado "George Mazzotti" award for Fire Chief of the Year by the Colorado Division

of Fire Prevention and Control. This award recognizes outstanding fire chiefs whose extraordinary contributions serve as an example and challenge for chief fire executives throughout Colorado.

Cunningham Fire continued to provide high quality service in 2013 while staying near 2007 budget levels, focusing their financial resources on safety and service.

Major projects and expenditures included the remodeling of Station 3, the acquisition of a new engine, replacement of outdated radios, the hiring of six firefighters and the purchase of additional safety equipment.

LITTLETON FIRE RESCUE

After a national search, Christopher Armstrong was selected as the new chief of Littleton Fire Rescue in December 2013.

Littleton Fire Rescue provides fire and emergency medical services to the Littleton Fire Protection District, which covers a portion of the City of Centennial.

The City is also served by three fire districts: Cunningham, Littleton and South Metro Fire.

SOUTH METRO FIRE AUTHORITY

South Metro Fire Rescue Authority implemented the Advanced Resource Medic program, which dispatches an advance practice paramedic and nurse practitioner in addition to the medic already assigned to the call.

This efficient service provides patients the choice to utilize the new program instead of being transported to the hospital. The service saves patients time and money and allows for other emergency units to respond to calls with greater urgency.

SAFEST CITY

Centennial continues to rank as one of the safest cities in Colorado with a population of more than 75,000. Source: CQ Press, City Crime Ranking 2013-2014: Crime in Metropolitan Areas.

IN 2013, THE SHERIFF'S OFFICE:

Responded to 45,541 calls
Arrested 1,900 adults
Issued 23,424 traffic citations
Made 30,057 traffic stops



FINANCIALS

2013 BUDGET REVIEW

The City's budget is the long-range plan by which financial policy is implemented and controlled. City Council's goals, City-wide objectives, ordinances, and resolutions provide policy direction that respond to the needs and desires of the community. The budget process is a continuous cycle that begins with City Council's strategic planning each January, continues through the planning and development stages of the budget, and finishes with final adoption of the budget by Council in November/December.

2013 budgeted revenues for all funds were revised from \$70 million to \$77.1 million. This increase is largely due to better than anticipated sales tax revenue and additional federal and state grant revenue. The increase in sales tax revenue is the result of increased sales at retail development centers, an increase in consumer spending and the compliance program.

The City also received higher than projected revenues from the Building Materials Use Tax, Automobile Use Tax, and licenses and permits. These revenues increased as a result of several one-time projects and a recovering economy.

2013 budgeted expenditures were revised from \$70.2 million to \$87.2 million, excluding other financing sources/uses. The increase is largely due to appropriated capital improvement funds (\$10.1 million, or 59.2 percent of the increase) and culture and recreation funds (\$6.0 million or 35.5 percent of the increase). The increase in the capital improvement budget is due to projects carried forward from 2012, an increase in funding for building improvements at the Eagle Street Facility, and grant-funded projects.

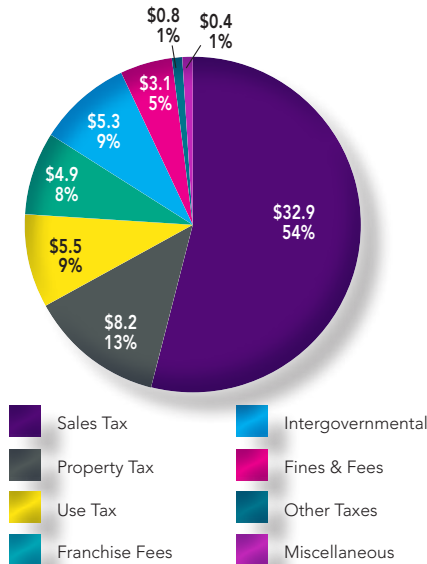


GENERAL FUND REVENUES

The General Fund is the primary operating fund of the City, representing 81.8 percent of the City's total revenue sources. General Fund budgeted revenues for 2014 are expected to be \$61.1 million, an increase from the 2013 Adopted Budget by \$3.1 million (5.3 percent). The increase is partially due to a projected increase in sales tax, building materials use tax, and automobile use tax revenues, and is partially offset by a decline in Highway Users Tax Fund (HUTF) and court fines revenues.

The major revenue sources for the General Fund are: retail sales tax, property tax, use tax, franchise fees and intergovernmental revenue.

GENERAL FUND REVENUES - \$61.1 MILLION



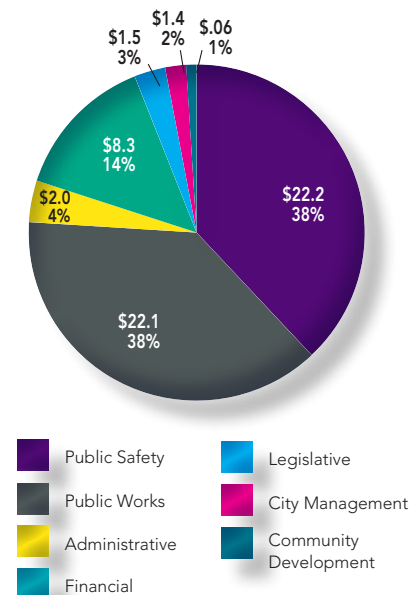
2014 GENERAL FUND REVENUES (\$61.1 MILLION)

Sales Tax	\$ 32.9	53.8%
Property Tax	8.2	13.4%
Use Tax	5.5	9.0%
Franchise Fees	4.9	8.0%
Intergovernmental	5.3	8.7%
Fines and Fees	3.1	5.1%
Other Taxes	0.8	1.3%
Miscellaneous	0.4	0.7%
Total Revenues	\$61.1	100%

GENERAL FUND EXPENDITURES

The City's total General Fund Budget for 2014 is \$58.1 million, including fund transfers. The City's 2014 Operating Budget represents a 2.2 percent increase from the 2013 Adopted Budget. This increase is primarily due to the City's contractual obligations to service providers and fund transfers related to capital projects. Without the increases for these contractual obligations and capital projects, the City's total 2014 Budget would have remained relatively (less than one percent) consistent with the 2013 Adopted Budget.

GENERAL FUND EXPENDITURES - \$58.1 MILLION



2014 GENERAL FUND EXPENDITURES \$58.1 MILLION (INCLUDING TRANSFERS)

Public Safety	\$ 22.2	38.2%
Public Works	22.1	38.0%
Administrative	2.0	3.5%
Financial	8.3	14.3%
Legislative	1.5	2.6%
City Management	1.4	2.6%
Community Development	0.6	1.0%
Total Expenditures	\$58.1	100%

Public Safety includes Law Enforcement, Animal Services and Municipal Court. Public Works includes Public Works and Facilities and Fleet. Administrative includes Human Resources, Information Technology, and Communications. Financial includes Finance, Economic Development, Nondepartmental, and Central Services. Legislative includes Elected Officials, City Attorney's Office, and City Clerk's Office. City Management includes City Manager's Office and Office of Innovation. Community Development includes Community Development Administration and Code Compliance.

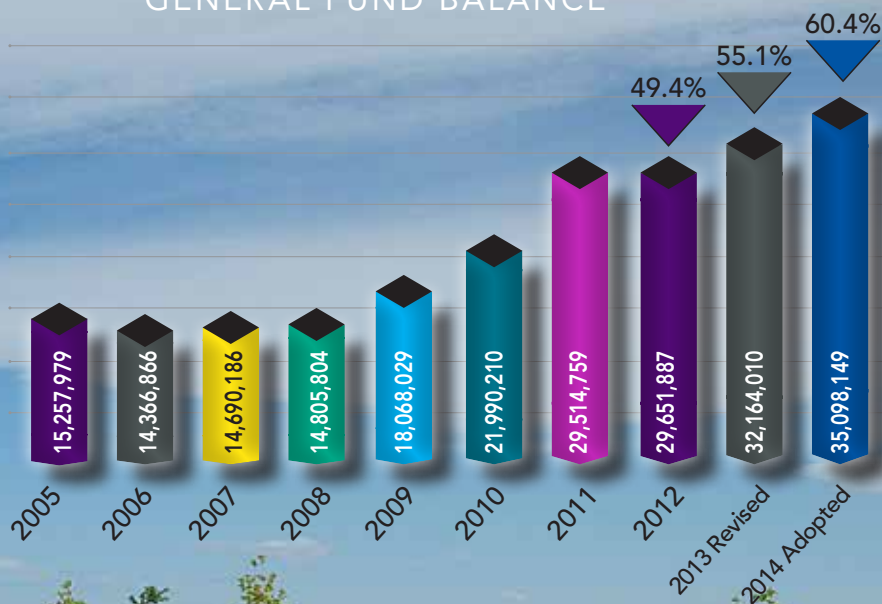
FINANCIALS

GENERAL FUND BALANCE

A healthy fund balance is important to the fiscal strength of the City. It is the City's policy to maintain a fund balance for the General Fund equal to at least 25 percent of General Fund expenditures and other financing uses. The City anticipates the 2014 ending fund balance for the General Fund to be \$35.1 million or 60.4 percent of expenditures and other financing uses.

\$40,000,000
\$35,000,000
\$30,000,000
\$25,000,000
\$20,000,000
\$15,000,000
\$10,000,000
\$5,000,000

GENERAL FUND BALANCE



FINANCIAL ACHIEVEMENT

Centennial received the Distinguished Budget Presentation Award for the 2013 budget from the Government Finance Officers Association. The award represents outstanding achievement in budgeting practices and effective budget presentation from a governmental entity.

EXCELLENCE IN FINANCIAL REPORTING

In 2013, the City was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada. The City was recognized for its comprehensive annual financial report, for the year ending December 31, 2011. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting and represents a significant accomplishment by a government and its management.

CITY OFFICIALS



ELECTED OFFICIALS

Back Row, L to R: Ken Lucas, District 3; Mark Gotto, District 3; Mayor Cathy Noon; Keith Gardner, District 2; Stephanie Piko, District 4.

Front Row, L to R: Vorry Moon, District 1; Kathy Turley, District 1; Doris Truhlar, District 2; Charles "C.J." Whelan, District 4



HISTORY

Centennial was incorporated on February 7, 2001. The vote to incorporate on September 12, 2000 was approved by 77 percent of the voters. At the time, it was the largest incorporation in U.S. history.

LAND AREA

Centennial is 29.2 square miles or 18,705.4 acres. The City is wholly within Arapahoe County.

POPULATION

With 103,743 residents, Centennial is seventh largest City in the Denver Metro Area and the tenth largest in the state.

HOUSEHOLDS

Centennial has 38,779 households and a median household income of \$87,359.

EDUCATION

Almost 52 percent of the population 25 years and over have at least a Bachelor's degree.

CITY OFFICERS

John Danielson, City Manager
Robert Widner, City Attorney



CENTENNIAL CIVIC CENTER

13133 East Arapahoe Road, Centennial, Colorado 80112

www.centennialco.gov

24-hour Citizen Response Center

303.325.8000



@CentennialGov



[Facebook.com/CentennialGov](https://www.facebook.com/CentennialGov)



ConnectCentennial.com